

APPENDIX

Contents:

1. Declaration
2. Copy of data card from Attorney's card file showing date Applicant first approached attorney.
3. Attorney's letter of engagement to client.

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Patricia M. Costanzo, Ph.D., J.D.
U.S.P.T.O. Registered Patent Attorney
law@costanzopat.com
www.patcostanzo.com

P.O. Box 101
2860 Bowen Road
Elma, NY 14059
Telephone: 716 652-2380
Facsimile: 716 652-8868

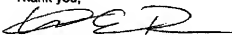
November 21, 2006

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Dear Sir:

I declare that this invention was originally conceived while in Disney in July of 2001. While I was there, I saw the fiber optic lighting at Epcot. Disney was using a complicated illumination system and I started to think about a way to create the same effect at home at a lower cost. I decided that incorporating a less complicated and expensive light source right into the product would save money and reduce the need for long runs of fiber optic cable. As fiber optic prices came down and bright enough LED's became available, I came up with a prototype in March of 2003 that I felt replicated the effect I was looking for and could be produced for sale. It was at this time that I contacted a patent attorney (Patricia Costanzo) about applying for patent protection.

Thank you,


Walter E. Pipo

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PIPOW_P_1-03

PATENT - LITIGATED STEPPING STAIRS

SEELY, DANIEL and

Self-Defuminating Fabricated Metal

4360 SENECA STREET

WEST SENECRA, NY 14224

716 674 7146

FAX 716 674 7146

CELL 716 903-3143 503-3901 982-9007

e-mail Louisenterprise@adelphia.net

US citizen

2003

May 4 - Initial visit ordered search

May 7 - Paid \$400. for search

Aug 6 Paid 600, Walter Paid 900 \Rightarrow 1500 = 50% deposit

* 9/13/03 - Application filed, copy sent to client, docketed

* 9/24/03 Acknowledgement received, docketed, copy to client

5/05/05 - OA received, docketed, letter to client sent 6/21/05

DDD 8.3.05

7.21.05 - Reply to OA faxed/copy to client/docketed

9.22.05 - Received OA, docketed, copy to client sent 9.22.05

DDD 12.22.05

PIPO, WALTER E

1433 BOIES ROAD

EAST AURORA, NY 14052

716 652 9276 (H)

716 683 3936 (W)

Cell 997-3512

PIPOEA@MSN.COM

US citizen

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PATRICIA M. COSTANZO
REGISTERED PATENT ATTORNEY
14059
pmcostanzo@adelphia.net
www.costanzo-patents.com

2960 BOWEN ROAD
ELMA, NY
VOICE/FAX 716 652-2380

May 7, 2003

Mr. Daniel Seely and Mr. Walter E. Pipo
4360 Seneca Street
West Seneca, NY 14224

RE: Letter of Engagement for Patentability Search
and Patent Application Drafting and Filing

INVENTION: Lighted blocks

Our Reference: SeelyPipo_P_1_03

Dear Mr. Seely and Mr. Pipo:

I appreciate your consulting me to conduct a search regarding the patentability of your invention and to draft and submit your application if the search results justify such action. This letter is to confirm our understanding regarding the fee that will be charged to you for my representation of you in connection with this matter.

The fee for searching for art that could affect the patentability of your invention (a piece of art is commonly referred to as a "prior art reference" or more simply as a "reference") is \$400.00. The fee for the preparation and filing of your application for patent is \$3,000 which includes the \$375 filing fee due to the United States Patent and Trademark Office (USPTO). As we discussed, the fee for searching is due in full before I start the search. After I receive the search fee, I will conduct the patentability search and send you a "Patentability Opinion Letter" and copies of the references that could affect the patentability of your invention along with my opinion as to the probable relevance of each piece of art.

If you conclude that the search results are favorable and you decide to go forward with an application for patent, it is my usual practice to require a retainer of fifty percent of my fee before the application drafting begins. Along with the initial fee payment, you will supply me with a reasonably clear and concise explanation of your invention and a set of informal drawings that can be as simple as sketches, but never the less, will provide for a full appreciation and understanding of your invention. The remaining fifty-percent of my fee is due before the drafted application is submitted for filing with the PTO.

The \$3,000 fee is non-refundable, except in the event either party, with notice, terminates with good cause the application preparation before appreciable effort has been made on behalf of the Application. If termination with notice occurs before appreciable effort has been made on behalf of the Application, the effort made on behalf of the Application will be prorated on an hourly basis against the fee paid to date, with the remainder returned to the Client.

Once the application is filed, additional expense will likely be incurred in the continued prosecution of the application, that is, to cover the cost of replying to the Office Actions and any other communications sent to Applicant from the PTO. These fees are calculated as per hour of the time it takes me to analyze each reference patent cited by the PTO Examiner for its relevance to the patentability of your invention and to draft a reply based on the result of my analysis. The time it takes me to complete a response depends largely on the number of references that accompany the PTO Examiner's first Office Action, as each reference requires analysis and comment. Generally an Examiner cites from one to five references, although a larger number, although it is not likely, could be cited. I will, of course, provide you with a copy of each of the cited references and my response to the Office Action. My hourly fee is \$80.00. Invoices for these services are sent monthly with terms of net 30 days.

Every effort will be made to expedite your matter according to the highest legal and ethical standards. I shall keep you informed as to the progress of your Application by sending you copies of all relevant correspondence and documents, and calling you, if warranted. If there are any questions regarding this cost estimate/engagement letter, please contact me at your earliest convenience. You may reach me either by telephone or by sending me an e-mail. If I am unavailable when you telephone, your call will be returned with reasonable promptness.

You are, of course, at liberty to terminate this arrangement at any time you desire and I have the right to withdraw as your attorney at any time in the event of your non-cooperation or non-payment, or other such valid cause.

If you find the above acceptable, please sign below and return the signed copy. I will begin working on your Search and Application for Patent as soon as you let me know, in writing (electronically or by the United States Post Office) of your acceptance of these terms and upon receipt of the fees, as discussed above.

I look forward to hearing from you.

Very truly yours,

Patricia M. Costanzo

I acknowledge receipt of a copy of this fee agreement and approve its terms:

Daniel Seely Date _____

Walter E. Pipo Date _____